

and which may be excluded from, the net long position calculation.

If an investment adviser is bidding competitively, and . . .	Then . . .
(1) the investment adviser has a net long position for its own account.	that position must be included in the investment adviser's net long position calculation.
(2) the investment adviser's competitive bid is for a controlled account.	any net long position of that account must be included in the investment adviser's net long position calculation.
(3) the investment adviser is not bidding competitively for a controlled account and . . .	
(i) the controlled account has a net long position of \$100 million or more.	that position must be included in the investment adviser's net long position calculation.
(ii) the controlled account has a net long position that is less than \$100 million.	that position may be excluded from the investment adviser's net long position calculation.
(iii) any net long position is excluded under paragraph (b)(3)(ii) of this table.	all net short positions of controlled accounts under \$100 million must also be excluded.

(d) *Certifications.* When an investment adviser bids for a controlled account, we deem the investment adviser to have certified that it is complying with this part and the auction announcement for the security. Further, we deem the investment adviser to have certified that the information it provided about bids for controlled accounts is accurate and complete.

(e) *Proration of awards.* Investment advisers that submit competitive bids in the names of controlled accounts are responsible for prorating any awards at the highest accepted yield or discount rate using the same percentage that we announce. See § 356.21 for examples of how to prorate.

#### § 356.16 Do I have to make any certifications?

(a) *Submitters.* If you submit bids or other information in an auction, we deem you to have certified that:

- (1) You are in compliance with this part and the auction announcement;
- (2) The information provided with regard to any bids for your own account is accurate and complete; and
- (3) The information provided with regard to any bids for customers accurately and completely reflects information provided by your customers or intermediaries.

(b) *Intermediaries.* If you forward bids in an auction, we deem you to have certified that:

- (1) You are in compliance with this part and the applicable auction announcement; and
- (2) That the information you provided to a submitter or other intermediary with regard to bids for cus-

tomers accurately and completely reflects information provided by those customers or intermediaries.

(c) *Customers.* By bidding for a security as a customer we deem you to have certified that:

- (1) You are in compliance with this part and the auction announcement and;
- (2) The information you provided to the submitter or intermediary in connection with the bid is accurate and complete.

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#### § 356.17 How and when do I pay for securities awarded in an auction?

(a) *General.* By bidding in an auction, you agree to pay the settlement amount for any securities awarded to you. (See § 356.25.) For notes and bonds, the settlement amount may include a premium amount, accrued interest, and, for inflation-protected securities, an inflation adjustment.

(b) *TreasuryDirect®.* You must pay for your awarded securities by a debit entry to a deposit account that you are authorized to debit or by using the redemption proceeds of your certificate of indebtedness held in your TreasuryDirect account. Payment by debit entry occurs on the settlement date for the actual settlement amount due. (See § 356.25.)

(c) *Legacy Treasury Direct®.* Unless you make other provisions, you must pay by debit entry to a deposit account that you are authorized to debit or submit payment with your bids. Payment by debit entry occurs on the settlement date for the actual settlement